March 21, 2007

EMATE NATURAL RESOURCES

DATE B-21-07

BILL NO NB 460

Mr. Chairman and Members of the Committee:

I would like to thank you for the opportunity to offer my comments on House Bill 460, which seeks to revise the metal mine reclamation statutes.

I want to begin by expressing my support for requirements that ensure that mineral extraction occurs in the best manner possible. I further agree that proper reclamation must be completed and that adequate financial assurance is given to the State of Montana as a guarantee.

I also want to express my appreciation for the staff at the Montana Department of Environmental Quality (DEQ) in what is, often times, a very difficult and thankless job. I recognize that the Department must have adequate authority and the necessary resources to conduct the job that we, as Montanans, ask of them.

And, while I certainly support responsible laws that better serve the public, I also support the business of mining in Jefferson County and elsewhere in Montana. Jefferson County is home to the two largest and longest operating gold mines in the state. Montana Tunnels and Golden Sunlight have been good neighbors and great community partners.

I want to take just a moment to share with you some recent calculations, which will give you some indication of the importance of mining to Jefferson County. To replace the taxable market value of Golden Sunlight Mine, it would take:

- \$ 20 Home Depots; or these 2 mines
- \$ 240 Town Pumps; or
- \$ 1613 Elkhorn Cafes; or
- ♦ 269 Montana City Grills; or
- Or more than 9030 homes

First, none of the above is feasible and second, even if it were feasible, building over 9000 homes or 20 Home Depots' would not happen without its own share of environmental and social impacts.

HB 460 is responsible reform without threatening the existence of mining. This bill requires work be done in advance to evaluate the potential for any discharges that may exceed water quality standards. I believe that this is the current practice of the mines located in Jefferson County and elsewhere, but certainly adding some specific language to the current law is acceptable and something we agree with.

I also support the change in this bill that requires a reclamation plan to outline how an operator will minimize contact of surface and ground water with materials that have the potential to release contaminants. Further, language has been added that more clearly states how additional analysis and modification of a reclamation plan would be handled if a significant environmental problem or situation were revealed by field inspection. It also sets out requirements for when and how the DEQ can require an interim bond.

Bonding is always a contentious issue. The new language contained in this bill coupled with the existing bonding and bond review criteria certainly should be adequate to ensure that reclamation liability does not fall to anyone other than the permittee.

In closing, I support HB 460 and recommend a do pass.

Thank you for the opportunity to offer these comments.

Sincerely yours,

Ken Weber Jefferson County Commissioner P.O. Box H Boulder, MT 59632 (406) 225-4025 Senate Natural Resources & Energy Committee State Capitol, Room 422 Helena, MT 59620

RE: Support House Bill 460

Honorable Chairman & Members of the Senate Natural Resources & Energy Committee:

Stillwater Mining Company would like to go on record in <u>support</u> of House Bill 460 for the following reasons.

- Reclamation plan amendment requirements are clarified.
- Provides a statutory provision for temporary interim bonds in unanticipated circumstances.
- It provides a reasonable process for determining a temporary bond amount based on factual information.
- Provides statutory language that is science and technology based.

Stillwater Mining Company supports House Bill 460 to clarify reclamation plan requirements, provide for temporary bonds in unanticipated circumstances, with a reasonable process to determine the temporary bond amount, and provides statutory language that is science and technology based.

Sincerely,

John Beaudry

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